



LOS ANGELES COMMUNITY COLLEGES

CITY * EAST * HARBOR * MISSION * PIERCE * SOUTHWEST * TRADE-TECHNICAL * VALLEY * WEST

OFFICE OF THE CONTROLLER
Mrs. Jeanette L. Gordon, Controller

February 28, 2005

Board of Supervisors
County of Los Angeles
648 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

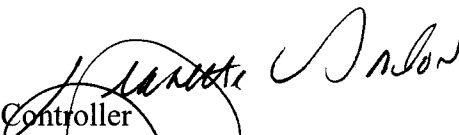
RE: Los Angeles Community College District - County Resolution regarding the
District's 2005 General Obligation Refunding Bonds

Dear Members of the Los Angeles County Board of Supervisors:

On behalf of the Los Angeles Community College District, we would like to request that the County of Los Angeles (the "County") place the attached "*Resolution of the Board of Supervisors of the County of Los Angeles, California, Authorizing the Levy of Taxes for General Obligation Refunding Bonds of the Los Angeles Community College District, Designating the Paying Agent Therefor and Directing the County Auditor-Controller to Maintain Taxes on the Tax Roll*" (the "County Resolution") on the County agenda for the **March 15, 2005** County Board of Supervisors meeting.

Please find enclosed said County Resolution, together with an executed copy of the District Resolution adopted on February 23, 2005 by the District's Board of Trustees.

Very truly yours,


Controller

Encls.

cc: Ms. Janet Logan, Head Agenda Preparation Section, Executive Office of the County

45550483.1

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, CALIFORNIA, AUTHORIZING THE LEVY OF TAXES FOR GENERAL OBLIGATION REFUNDING BONDS OF THE LOS ANGELES COMMUNITY COLLEGE DISTRICT, DESIGNATING THE PAYING AGENT THEREFOR AND DIRECTING THE COUNTY AUDITOR-CONTROLLER TO MAINTAIN TAXES ON THE TAX ROLL

WHEREAS, a duly called election was held in the Los Angeles Community College District, County of Los Angeles (the “County”), State of California, (hereinafter referred to as the “District”), on April 10, 2001, and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by the requisite fifty-five percent (55%) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum principal amount of \$1,245,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District (the “Authorization”);

WHEREAS, the Board of Trustees of the District (the “District Board”) has previously approved the issuance of bonds authorized by the Election in the amount of \$525,000,000 aggregate principal amount of the District’s General Obligation Bonds, 2001 Election, Series A (the “Prior Bonds”);

WHEREAS, the District Board has now determined that conditions in the financial marketplace are favorable for the refunding of all or a portion of the outstanding principal amount or accreted value of the Prior Bonds;

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “Act”) and the Resolution of the District Board adopted on February 23, 2005, the District is authorized to issue refunding bonds (the “Bonds”) to refund all or a portion of the Prior Bonds;

WHEREAS, the Board of Supervisors of the County (the “County Board”) has been formally requested by the District to levy taxes in an amount sufficient to pay the principal of and interest on the Bonds when due, and to direct the Auditor-Controller of the County to maintain on its tax roll, and all subsequent tax rolls, taxes sufficient to fulfill the requirements of the debt service schedule for the Bonds, commencing on August 1, 2005 that will be provided to the Auditor-Controller by the District following the sale of the Bonds; and

WHEREAS, the Los Angeles County Treasurer and Tax Collector (the “Treasurer”) of the County has been designated by the District as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the “Paying Agent”) for the Bonds on behalf of the District, and requests that the County consent to the District’s contracting with a third party to perform the service of Paying Agent.

NOW THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Levy of Taxes. That this County Board levy taxes in an amount sufficient to pay the principal of and interest on the Bonds.

SECTION 2. Preparation of Tax Roll. That the Auditor-Controller of the County of Los Angeles is hereby directed to maintain on its tax roll, and all subsequent tax rolls, taxes in an amount sufficient to fulfill the requirements of the debt service schedule for the Bonds, commencing on August 1, 2005, which will be provided to the Auditor-Controller by the District following the sale of the Bonds.

SECTION 3. Paying Agent. That the Treasurer and Tax Collector of the County of Los Angeles act as the Paying Agent for the Bonds and hereby consents to the District's appointment of The Bank of New York Trust Company, N.A. (or any successor thereto), as the agent of the Paying Agent for the Bonds.

SECTION 4. Effective Date. That this Resolution shall take effect immediately upon its passage.

The foregoing resolution was, on the ____ day of _____, 2005, adopted by the Board of Supervisors of the County of Los Angeles and *ex officio* the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

VIOLET VARONA-LUKENS,
Executive Officer-Clerk of the Board of
Supervisors of the County of Los Angeles

By: _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.,
County Counsel

By: 
Principal Deputy County Counsel

**RESOLUTION OF THE BOARD OF TRUSTEES OF LOS ANGELES
COMMUNITY COLLEGE DISTRICT AUTHORIZING THE ISSUANCE
OF THE DISTRICT'S GENERAL OBLIGATION REFUNDING BONDS,
2001 ELECTION, 2005 SERIES A**

WHEREAS, a duly called election was held in the Los Angeles Community College District, Los Angeles County, State of California (the "District"), on April 10, 2001, and thereafter canvassed pursuant to law;

WHEREAS, at such election, there was submitted to and approved by the requisite two-thirds vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of \$1,245,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Election");

WHEREAS, the Board of Trustees of the District (the "Board") has previously approved the issuance, pursuant to the Election, of \$525,000,000 aggregate principal amount of the District's General Obligation Bonds, 2001 Election, Series A (the "Prior Bonds");

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"), the District is authorized to issue refunding bonds to refund all or a portion of the Prior Bonds;

WHEREAS, the Board has now determined that conditions in the financial marketplace are favorable for the refunding of up to the outstanding principal amount of \$473,930,000 of the Prior Bonds maturing on and after August 1, 2005 ~~which are subject to optional redemption on August 1, 2011~~ in accordance with their terms (the "Refunded Bonds");

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation refunding bonds of the District, and the indebtedness of the District, including this proposed issue of Refunding Bonds (as hereinafter defined), is within all limits prescribed by law;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE LOS ANGELES COMMUNITY COLLEGE DISTRICT, LOS ANGELES COUNTY, CALIFORNIA, AS FOLLOWS:

SECTION 1. Purpose. That in order to refund all of the outstanding Refunded Bonds and to pay all necessary legal, financial, and contingent costs in connection therewith, the District authorizes the issuance of its General Obligation Refunding Bonds, 2001 Election, 2005 Series A (the "Refunding Bonds") in an aggregate principal amount not to exceed \$525,000,000. Additional costs authorized to be paid from the proceeds of the Refunding Bonds are all of the authorized costs of issuance set forth in Section 53550(e) and (f) and Section 53587 of the Act.

SECTION 2. Paying Agent. The Board hereby designates the Treasurer and Tax Collector of the County of Los Angeles, as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the “Paying Agent”) for the Refunding Bonds on behalf of the District. The District hereby further appoints, subject to the consent of the Board of Supervisors of the County, The Bank of New York Trust Company, N.A. to act as agent of the Treasurer and Tax Collector in performing the service of Paying Agent.

SECTION 3. Terms and Conditions of Sale. The Refunding Bonds shall be sold at a negotiated sale upon the direction of the Controller of the District (the “Controller”). The Refunding Bonds shall be sold pursuant to the terms and conditions set forth in the Purchase Contract, as described below. As a special condition to the sale of the Refunding Bonds, the Controller is instructed to sell the Refunding Bonds as provided in Section 4 below only upon receipt of evidence satisfactory to the Controller to the effect that (a) all of the conditions to effecting a refunding under the Act have been satisfied; and (b) the terms of the Refunding Bonds are such that, taking into account recognition by the taxpayers of the District of interest rate and tax levy savings in an amount not less than \$1,000,000, an additional deposit to the District’s Building Fund maintained with the Treasurer and Tax Collector of the County of Los Angeles in an amount no less than \$9,000,000 shall be made possible at closing.

SECTION 4. Approval of Purchase Contract. The form of Purchase Contract (the “Purchase Contract”) by and between the District and Citigroup Global Markets, Inc., as representative of the Underwriters (collectively, the “Underwriters”), for the purchase and sale of the Refunding Bonds, substantially in the form on file with the Clerk of the Board, is hereby approved and the Controller is hereby authorized to execute and deliver such Purchase Contract, with such changes therein, deletions therefrom and modifications thereto as the Controller may approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the interest rate on the Refunding Bonds shall not exceed 6.0% per annum, and that the discount, excluding original issue discount, thereon shall not exceed 0.35% of the aggregate of principal amount of Refunding Bonds issued. The Controller is further authorized to determine the principal amount of the Refunding Bonds to be specified in the Purchase Contract for sale by the District up to \$525,000,000 and shall approve the satisfaction of the special conditions set forth in Section 3 above.

SECTION 5. Certain Definitions. As used in this Resolution, the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the Purchase Contract):

(a) “Act” means Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code.

(b) “Authorization” means the authorization received by the District to issue the Refunded Bonds at an election held on April 10, 2001.

(c) “Authorized Officer” means the Chancellor of the District, the Controller or any Trustee of the District.

(d) “Bond Insurer” means any insurance company which issues a municipal bond insurance policy insuring the payment of principal of and interest on the Refunding Bonds.

(e) “Bond Payment Date” means (unless otherwise provided by the Purchase Contract) February 1 and August 1 of each year commencing August 1, 2005, except that the final principal of and interest on the Refunding Bonds shall be payable on June 1, 2026.

(f) “Depository” means the securities depository acting as Depository pursuant to Section 6(c) hereof.

(g) “DTC” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, in its capacity as securities depository for the Refunding Bonds.

(h) “Escrow Agreement” means the Escrow Agreement relating to the Refunded Bonds, by and between the District and The Bank of New York Trust Company, N.A., as escrow agent, a form of which has been presented to and considered by this Board.

(i) “Federal Securities” means direct or indirect noncallable obligations of, or noncallable, nonprepayable obligations unconditionally guaranteed as to full and timely payment of principal and interest by, the United States of America, but excluding investments in mutual funds or unit investment trusts, or as otherwise permitted under Section 53635 of the Government Code of the State of California.

(j) “Information Services” means Financial Information, Inc.’s Financial Daily Called Bond Service; Moody’s Municipal and Government; or Standard & Poor’s J.J. Kenny Information Service “Called Bond Record.”

(k) “Nominee” means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 6(c) hereof.

(l) “Owner” means the person or entity shown on the registration books of the Paying Agent as the registered owner of a Refunding Bond.

(m) “Participants” means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

(n) “Paying Agent” means The Bank of New York Trust Company, N.A., or any successor thereto as agent of the Treasurer and Tax Collector.

(o) “Principal” or “Principal Amount” means the principal thereof.

(p) “Record Date” means the fifteenth (15th) day of the month preceding each Bond Payment Date.

(q) “Securities Depositories” means The Depository Trust Company.

(r) “Term Bonds” means those Refunding Bonds for which mandatory redemption dates have been established in the Purchase Contract.

(s) “Treasurer and Tax Collector” means the Treasurer and Tax Collector of the County of Los Angeles.

SECTION 6. Terms of the Refunding Bonds.

(a) Denominations, Interest, Dated Dates. The Refunding Bonds shall be issued as bonds registered as to both principal and interest, in the denominations of \$5,000 or any integral multiple thereof (except for one odd denomination). The Refunding Bonds will be initially registered to “Cede & Co.,” the nominee of the Depository Trust Company, New York, New York.

Each Refunding Bond shall be dated the date of its initial issuance or such other date as shall appear in the Purchase Contract or the Official Statement (the “Dated Date”), and shall bear interest at the rates set forth in the Purchase Contract from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 15th day of the month preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before July 15, 2005 or such other date as may be set forth in the Official Statement, in which event it shall bear interest from the Dated Date.

Interest shall be payable on the respective Bond Payment Dates.

No Refunding Bonds shall mature later than June 1, 2026.

(b) Redemption.

(i) Terms of Redemption. The Refunding Bonds shall be subject to redemption prior to maturity as provided in the Purchase Contract.

(ii) Selection of Refunding Bonds for Redemption. Whenever provision is made in this Resolution for the redemption of Refunding Bonds and less than all Outstanding Refunding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Refunding Bonds for redemption as so directed and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select Refunding Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; *provided, however*, that the portion of any Refunding Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof.

(iii) Notice of Redemption. When redemption is authorized or required pursuant to this Resolution, the Paying Agent, upon written instruction from the District, shall give notice (a “Redemption Notice”) of the redemption of the Refunding Bonds. Such Redemption Notice shall specify: (a) the Refunding Bonds or designated portions thereof (in the case of redemption of the Refunding Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if

any) assigned to the Refunding Bonds to be redeemed, (f) the bond numbers of the Refunding Bonds to be redeemed in whole or in part and, in the case of any Refunding Bond to be redeemed in part only, the Principal Amount of such Refunding Bond to be redeemed, and (g) the original issue date, interest rate or Accretion Rate and stated maturity date of each Refunding Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Refunding Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued to the redemption date thereon, and that from and after such date, interest with respect thereto shall cease to accrue.

The Paying Agent shall take the following actions with respect to such Redemption Notice:

(a) At least 30 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Refunding Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the Bond Register.

(b) At least 30 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service to each of the Securities Depositories.

(c) At least 30 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, or (ii) overnight delivery service to one of the Information Services.

Neither failure to receive or failure to publish any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Refunding Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Refunding Bonds shall bear or include the CUSIP number identifying the Refunding Bonds being redeemed with the proceeds of such check or other transfer.

(iv) Partial Redemption of Refunding Bonds. Upon the surrender of any Refunding Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Refunding Bond or Bonds of like tenor and maturity and of authorized denominations equal in Principal Amounts to the unredeemed portion of the Refunding Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(v) Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest accrued to the applicable date of redemption) having been set aside in the District's Debt Service Fund, the Refunding Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Refunding Bonds to be redeemed as provided in Section 6(b)(i) hereof, together with interest accrued to such redemption

date, shall be held by the Paying Agent so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Refunding Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Refunding Bonds shall be held in trust for the account of the Owners of the Refunding Bonds so to be redeemed.

All Refunding Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 6 shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Refunding Bond purchased by the District shall be cancelled by the Paying Agent.

(vi) Refunding Bonds No Longer Outstanding. When any Refunding Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held by the Paying Agent irrevocably in trust for the payment of the redemption price of such Refunding Bonds or portions thereof, and, in the case of Refunding Bonds, accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such Refunding Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

(c) Book-Entry System.

(i) Election of Book-Entry System. The Refunding Bonds shall initially be delivered in the form of a separate single fully-registered bond (which may be typewritten) for each maturity date of such Refunding Bonds in an authorized denomination. The ownership of each such Bond shall be registered in the Bond Register (as defined below) in the name of the Nominee, as nominee of the Depository and ownership of the Refunding Bonds, or any portion thereof may not thereafter be transferred except as provided in Section 6(c)(i)(4).

The District and the Paying Agent shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such Refunding Bonds. Without limiting the immediately preceding sentence, the District and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in the Refunding Bonds, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Bond Register, of any notice with respect to the Refunding Bonds, including any notice of redemption, (iii) the selection by the Depository and its Participants of the beneficial interests in the Refunding Bonds to be prepaid in the event the District redeems the Refunding Bonds in part, or (iv) the payment by the Depository or any Participant or any other person, of any amount with respect to Principal of or interest or redemption premium, if any, on the Refunding Bonds. The District and the Paying Agent may treat and consider the person in whose name each the Refunding Bond is registered in the Bond Register as the absolute Owner of such Refunding Bond for the purpose of payment of Principal of and premium and interest on and to such Refunding Bond, for the purpose of giving notices of redemption and other matters with respect to such Refunding Bond, for the purpose of registering transfers with respect to such

Refunding Bond, and for all other purposes whatsoever. The Paying Agent shall pay all Principal of and premium, if any, and interest on the Refunding Bonds only to or upon the order of the respective Owner, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of Principal of, and premium, if any, and interest on the Refunding Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a certificate evidencing the obligation to make payments of Principal of, and premium, if any, and interest on the Refunding Bonds. Upon delivery by the Depository to the Owner and the Paying Agent, of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to the Record Date, the word "Nominee" in this Resolution shall refer to such nominee of the Depository.

1. Delivery of Letter of Representations. In order to qualify the Refunding Bonds for the Depository's book-entry system, the District shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the District or the Paying Agent any obligation whatsoever with respect to persons having interests in the Refunding Bonds other than the Owners, as shown on the Bond Register. By executing a Letter of Representations, the Paying Agent shall agree to take all action necessary at all times so that the District will be in compliance with all representations of the District in such Letter of Representations. In addition to the execution and delivery of a Letter of Representations, the District and the Paying Agent shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify the Refunding Bonds for the Depository's book-entry program.

2. Selection of Depository. In the event (i) the Depository determines not to continue to act as securities depository for the Refunding Bonds, or (ii) the District determines that continuation of the book-entry system is not in the best interest of the beneficial owners of the Refunding Bonds or the District, then the District will discontinue the book-entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered bond for each maturity date of such the Refunding Bond, registered in the name of such successor or substitute qualified securities depository or its Nominee as provided in subsection (4) hereof. If the District fails to identify another qualified securities depository to replace the Depository, then the Refunding Bonds shall no longer be restricted to being registered in such Bond Register in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such Refunding Bonds shall designate, in accordance with the provisions of this Section 6(c).

3. Payments to Depository. Notwithstanding any other provision of this Resolution to the contrary, so long as all outstanding Refunding Bonds are held in book-entry and registered in the name of the Nominee, all payments by the District or the Bond Register with respect to Principal of and premium, if any, or interest on the Refunding Bonds and all notices with respect to such Refunding Bonds shall be made and given, respectively to the Nominee, as provided in the Letter of Representations or as

otherwise instructed by the Depository and agreed to by the Paying Agent notwithstanding any inconsistent provisions herein.

4. Transfer of Refunding Bonds to Substitute Depository.

(A) The Refunding Bonds shall be initially issued as described in the Official Statement. Registered ownership of such Refunding Bonds, or any portions thereof, may not thereafter be transferred except:

(1) to any successor of DTC or its Nominee, or of any substitute depository designated pursuant to Section 6(c)(i)(4)(A)(2) ("Substitute Depository"); provided that any successor of DTC or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(2) to any Substitute Depository, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC (or its successor) is no longer able to carry out its functions as depository; provided that any such Substitute Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(3) to any person as provided below, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC or its successor (or Substitute Depository or its successor) is no longer able to carry out its functions as depository.

(B) In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(1) or (2), upon receipt of all outstanding Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent designating the Substitute Depository, a single new Bond, which the District shall prepare or cause to be prepared, shall be executed and delivered for each maturity of Refunding Bonds then outstanding, registered in the name of such successor or such Substitute Depository or their Nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(3), upon receipt of all outstanding Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, new Refunding Bonds, which the District shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such written request of the District, provided that the Paying Agent shall not be required to deliver such new Refunding Bonds within a period of less than sixty (60) days from the date of receipt of such written request from the District.

(C) In the case of a partial redemption of any Refunding Bonds evidencing a portion of the Principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such Refunding Bonds indicating the date and amounts of such reduction in Principal, in form

acceptable to the Paying Agent, all in accordance with the Letter of Representations. The Paying Agent shall not be liable for such Depository's failure to make such notations or errors in making such notations.

(D) The District and the Paying Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof for all purposes of this Resolution and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent or the District; and the District and the Paying Agent shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Refunding Bonds. Neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to any such beneficial owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any Refunding Bonds, and the Paying Agent may rely conclusively on its records as to the identity of the Owners of the Refunding Bonds.

SECTION 7. Execution of Refunding Bonds. The Refunding Bonds shall be signed by the Chancellor and the Controller, by their manual or facsimile signatures and countersigned by the manual or facsimile signature of and the seal or facsimile seal of the District affixed thereto by the Clerk of the Board, all in their official capacities. No Refunding Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Refunding Bond is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Refunding Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

SECTION 8. Paying Agent; Transfer and Exchange. The Board does hereby designate the Treasurer and Tax Collector to act as the authenticating agent, bond registrar, transfer agent and paying agent (the "Paying Agent") for the Refunding Bonds. The District hereby further appoints, subject to the consent of the Board of Supervisors of the County, The Bank of New York Trust Company, N.A. to act as agent of the Treasurer and Tax Collector in performing the services of Paying Agent.

So long as any of the Refunding Bonds remain outstanding, the District will cause the Paying Agent to maintain and keep at its principal office all books and records necessary for the registration, exchange and transfer of the Refunding Bonds as provided in this Section. Subject to the provisions of Section 9 below, the person in whose name a Refunding Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Refunding Bond for all purposes of this Resolution. Payment of or on account of the Principal of and premium, if any, and interest on any Refunding Bond shall be made only to or upon the order of that person; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Refunding Bonds, including interest, to the extent of the amount or amounts so paid.

Any Refunding Bond may be exchanged for Refunding Bonds of like tenor, maturity and Principal Amount upon presentation and surrender at the principal office of the Paying Agent,

together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Refunding Bond may be transferred on the Bond Register only upon presentation and surrender of the Refunding Bond at the principal office of the Paying Agent together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new Refunding Bond or Refunding Bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the Principal Amount of the Refunding Bond surrendered and bearing or accruing interest at the same rate and maturing on the same date.

If any Refunding Bond shall become mutilated, the District, at the expense of the Owner of said Refunding Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Refunding Bond of like series, tenor and Principal Amount in exchange and substitution for the Refunding Bond so mutilated, but only upon surrender to the Paying Agent of the Refunding Bond so mutilated. If any Refunding Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Paying Agent and, if such evidence be satisfactory to the Paying Agent and indemnity for the Paying Agent and the District satisfactory to the Paying Agent shall be given by the Owner, the District, at the expense of the Refunding Bond Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Refunding Bond of like tenor in lieu of and in substitution for the Refunding Bond so lost, destroyed or stolen (or if any such Refunding Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Refunding Bond the Paying Agent may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Paying Agent and the District). The Paying Agent may require payment of a reasonable fee for each new Refunding Bond issued under this paragraph and of the expenses which may be incurred by the District and the Paying Agent.

If manual signatures on behalf of the District are required in connection with an exchange or transfer, the Paying Agent shall undertake the exchange or transfer of Refunding Bonds only after the new Refunding Bonds are signed by the authorized officers of the District. In all cases of exchanged or transferred Refunding Bonds, the District shall sign and the Paying Agent shall authenticate and deliver Refunding Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Refunding Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Refunding Bonds surrendered upon that exchange or transfer.

Any Refunding Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Refunding Bonds that the District may have acquired in any manner whatsoever, and those Refunding Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of Refunding Bonds shall be made to the District by the Paying Agent on or before January 15 and July 15 of each year. The cancelled Refunding Bonds shall be retained for six years, then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Refunding Bonds during a period beginning with the opening of business on the 15th business day next preceding either any Bond Payment Date or any date of selection of Refunding Bonds to be redeemed and ending with the close of business on the Bond Payment Date or any day on which the applicable notice of redemption is given or (b) to transfer any Refunding Bonds which have been selected or called for redemption in whole or in part.

SECTION 9. Payment. Payment of interest on any Bond on any Bond Payment Date shall be made to the person appearing on the registration books of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by check mailed to such Owner on the Bond Payment Date at his address as it appears on such registration books or at such other address as he may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner in an aggregate Principal Amount of \$1,000,000 or more may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The principal, and redemption price, if any, payable on the Refunding Bonds shall be payable upon maturity or redemption upon surrender at the principal office of the Paying Agent. The interest, Principal and premiums, if any, on the Refunding Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Refunding Bonds when duly presented for payment at maturity, and to cancel all Refunding Bonds upon payment thereof. The Refunding Bonds are general obligations of the District, payable without limit as to rate or amount from the levy of *ad valorem* property taxes upon all property subject to taxation within the District.

SECTION 10. Form of Refunding Bonds. The Refunding Bonds shall be in substantially the following form, allowing those officials executing the Refunding Bonds, upon advice of Bond Counsel, to make the insertions and deletions necessary to conform the Refunding Bonds to this Resolution, the Purchase Contract and the Official Statement.